

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2125

Chapter 516, Laws of 2009

61st Legislature
2009 Regular Session

COMMUNITY PRESERVATION AND DEVELOPMENT AUTHORITIES

EFFECTIVE DATE: 07/26/09

Passed by the House April 26, 2009
Yeas 59 Nays 36

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 26, 2009
Yeas 40 Nays 8

BRAD OWEN

President of the Senate

Approved May 15, 2009, 2:38 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2125** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 18, 2009

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2125

AS AMENDED BY THE SENATE

Passed Legislature - 2009 Regular Session

State of Washington **61st Legislature** **2009 Regular Session**

By House Community & Economic Development & Trade (originally sponsored by Representatives Santos and Kenney)

READ FIRST TIME 02/23/09.

1 AN ACT Relating to community preservation and development
2 authorities; and amending RCW 43.167.010, 43.167.020, and 43.167.030.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 43.167.010 and 2007 c 501 s 3 are each amended to read
5 as follows:

6 (1) The residents, property owners, employees, or business owners
7 of an impacted community may propose formation of a community
8 preservation and development authority. The proposal to form a
9 community preservation and development authority must be presented in
10 writing to the appropriate legislative committee in both the house of
11 representatives and the senate. The proposal must contain proposed
12 general geographic boundaries that will be used to define the community
13 for the purposes of the authority. Proposals presented after January
14 1, 2008, must identify in its proposal one or more stable revenue
15 sources that (a) have a nexus with the multiple publicly funded
16 facilities that have adversely impacted the community, and (b) can be
17 used to support future operating or capital projects that will be
18 identified in the strategic plan required under RCW 43.167.030.

1 (2) Formation of the community preservation and development
2 authority is subject to legislative authorization by statute. The
3 legislature must find that (a) the area within the proposal's
4 geographic boundaries meets the definition of "impacted community"
5 contained in section 2(4) of this act and (b) those persons that have
6 brought forth the proposal are members of the community as defined in
7 section 2(1) of this act and, if the authority were approved, would
8 meet the definition of constituency contained in section 2(3) of this
9 act. For proposals brought after January 1, 2008, the legislature must
10 also find that the community has identified one or more stable revenue
11 sources as required in subsection (1) of this section. The legislature
12 may then act to authorize the establishment of the community
13 preservation and development authority in law.

14 (3) The affairs of a community preservation and development
15 authority shall be managed by a board of directors, consisting of the
16 following members:

17 (a) Two members who own, operate, or represent businesses within
18 the community;

19 (b) Two members who reside in the community;

20 (c) Two members who are involved in providing nonprofit community
21 or social services within the community;

22 ~~((e))~~ (d) Two members who are involved in the arts and
23 entertainment within the community;

24 ~~((d))~~ (e) Two members with knowledge of the community's culture
25 and history; ~~and~~

26 ~~(e))~~ (f) One member who is involved in a nonprofit or public
27 planning organization that directly serves the impacted community; and

28 (g) Two representatives of the local legislative authority or
29 authorities, as ex officio members.

30 (4) No member of the board shall hold office for more than four
31 years. Board positions shall be numbered one through nine, and the
32 terms staggered as follows:

33 (a) Board members elected to positions one through five shall serve
34 two-year terms, and if reelected, may serve no more than one additional
35 two-year term.

36 (b) Board members initially elected to positions six through
37 ~~((nine))~~ thirteen shall serve a three-year term only.

1 (c) Board members elected to positions six through ((nine))
2 thirteen after the initial three-year term shall serve two-year terms,
3 and if reelected, may serve no more than one additional two-year term.

4 (5) With respect to an authority's initial board of directors: The
5 state legislative delegation and those proposing formation of the
6 authority shall jointly establish a committee to develop a list of
7 candidates to stand for election once the authority has received
8 legislative approval as established in subsection (2) of this section.
9 For the purpose of developing the list and identifying those persons
10 who meet the criteria in subsection (3)(a) through (e) of this section,
11 community shall mean the proposed geographic boundaries as set out in
12 the proposal. The board of directors shall be elected by the
13 constituency during a meeting convened for that purpose by the state
14 legislative delegation.

15 (6) With respect to subsequent elections of an authority's board of
16 directors: A list of candidates shall be developed by the authority's
17 existing board of directors and the election shall be held during the
18 annual local town hall meeting as required in RCW 43.167.030.

19 **Sec. 2.** RCW 43.167.020 and 2007 c 501 s 4 are each amended to read
20 as follows:

21 (1) A community preservation and development authority shall have
22 the power to:

23 (a) Accept gifts, grants, loans, or other aid from public or
24 private entities; ((and

25 ~~(b) Exercise such additional powers as may be authorized by law))~~

26 (b) Employ and appoint such agents, attorneys, officers, and
27 employees as may be necessary to implement the purposes and duties of
28 an authority;

29 (c) Contract and enter into partnerships with individuals,
30 associations, corporations, and local, state, and federal governments;

31 (d) Buy, own, lease, and sell real and personal property;

32 (e) Hold in trust, improve, and develop land;

33 (f) Invest, deposit, and reinvest its funds;

34 (g) Incur debt in furtherance of its mission; and

35 (h) Lend its funds, property, credit, or services for corporate
36 purposes.

1 (2) A community preservation and development authority (~~shall~~
2 ~~have~~) has no power of eminent domain nor any power to levy taxes or
3 special assessments.

4 (3) A community preservation and development authority that accepts
5 public funds under subsection (1)(a) of this section:

6 (a) Is subject in all respects to Article VIII, section 5 or 7, as
7 appropriate, of the state Constitution, and to RCW 42.17.128; and

8 (b) May not use the funds to support or oppose a candidate, ballot
9 proposition, political party, or political committee.

10 **Sec. 3.** RCW 43.167.030 and 2007 c 501 s 5 are each amended to read
11 as follows:

12 A community preservation and development authority shall have the
13 duty to:

14 (1) Establish specific geographic boundaries for the authority
15 within its bylaws based on the general geographic boundaries
16 established in the proposal submitted and approved by the legislature;

17 (2) Solicit input from members of its community and develop a
18 strategic preservation and development plan to restore and promote the
19 health, safety, and economic well-being of the impacted community and
20 to restore and preserve its cultural and historical identity;

21 (3) Include within the strategic plan a prioritized list of
22 projects identified and supported by the community, including capital
23 or operating components (~~that address one or more of the purposes~~
24 ~~under section 1(3) of this act));~~

25 (4) Establish funding mechanisms to support projects and programs
26 identified in the strategic plan including but not limited to grants
27 and loans;

28 (5) Use gifts, grants, loans, and other aid from public or private
29 entities to carry out projects identified in the strategic plan
30 including, but not limited to, those that: (a) Enhance public safety;
31 (b) reduce community blight; and (c) provide ongoing mitigation of the
32 adverse effects of multiple publicly funded projects on the impacted
33 community; and

34 (6) Demonstrate ongoing accountability for its actions by:

35 (a) Reporting to the appropriate committees of the legislature, one
36 year after formation and every biennium thereafter, on the authority's

1 strategic plan, activities, accomplishments, and any recommendations
2 for statutory changes;

3 (b) Reporting any changes in the authority's geographic boundaries
4 to the appropriate committees of the legislature when the legislature
5 next convenes in regular session;

6 (c) Convening a local town hall meeting with its constituency on an
7 annual basis to: (i) Report its activities and accomplishments from
8 the previous year; (ii) present and receive input from members of the
9 impacted community regarding its proposed strategic plan and activities
10 for the upcoming year; and (iii) hold board member elections as
11 necessary; and

12 (d) Maintaining books and records as appropriate for the conduct of
13 its affairs.

Passed by the House April 26, 2009.

Passed by the Senate April 26, 2009.

Approved by the Governor May 15, 2009.

Filed in Office of Secretary of State May 18, 2009.